

Claim 8 of the subject application is for a "computer program for providing a computer interface facilitating user-to-user security trading service for users communicating over a network with a computer system, the interface comprising: (a) a computer display of orders to buy certain securities at different prices based on data transmitted over the network by at least some of the users of the service; and (b) a computer display of offers to sell the certain securities at different prices based on data transmitted over the network by at least some of the users of the service." Claim 21 is for an article of manufacture storing the software of claim 8.

Thus, in order to anticipate claim 8 (or claim 21), a prior art reference must at least disclose a computer program that provides a display of orders to buy securities and a display of offers to sell securities. Ferstenberg is not such a reference. Ferstenberg discloses an agent-based method (described below) that does not allow participants to buy from, sell to, or negotiate with each other. All transactions are performed by agents. Thus, a participant in the Ferstenberg method does not need to see a display of orders to buy and a display of offers to sell. A Ferstenberg participant only needs an interface that allows the participant to provide instructions to his e-agent. This is demonstrated at Ferstenberg, col. 39, lines 44-56:

In more detail, general client system 79 are for those participants who require the most general processing capabilities from their e-agents. . . . such processing capabilities include selecting commodities according to methods such as finding a constrained extremum of an objective function of commodity amounts or applying rules to commodity amounts. Therefore, the client interactive software for general clients is adapted to the entry or receipt of a large number of variables describing these capabilities, such as the variables identified in Table 3. Accordingly, this software includes screens for entry and display of these variables and the interface is preferably interactive.

Thus, a Ferstenberg participant does not see (or need to see) what offers to buy or to sell are available. He just tells a software agent ("e-agent") what he wants, and his e-agent tries to obtain it.

In the method disclosed by Ferstenberg, a participant tells an e-agent how much (in terms of limits) of a commodity he wants to buy or sell. The e-agent then "negotiates" with an intermediary computer program that intermediates between the first e-agent and other e-agents working for other participants, until "the e-agent programs accept all the amounts of

commodities offered.” This process is described at col. 9, line 47 - col. 10, line 7, where Ferstenberg states that:

In a fourth general embodiment, this invention comprises a computer-based method for an intermediated exchange of commodities among a plurality of participants, each participant represented by an e-agent computer program. The method includes the following steps: sending electronic opening messages to an intermediary computer program from the e-agent programs, the opening messages including digital data representing the maximum amount of each commodity that each e-agent program will exchange in the intermediated exchange; sending electronic offer messages by the intermediary program to the e-agent programs, each offer message including digital data representing amounts of commodities currently offered to each e-agent program, the amounts being determined so that for each commodity the amount being offered for sale by all the e-agent programs equals the amount being offered for purchase by all the e-agent programs; receiving electronic counter-offer messages by the intermediary program from the e-agent programs, each counter-offer message including digital data representing amounts of offered commodities accepted by each e-agent program, the accepted commodity amounts being less than or equal to the offered commodity amounts; repeating the previous two steps in order, each ordered repetition being a round of an electronic negotiation, until the e-agent programs accept all the amounts of commodities offered, the accepted amounts being final commodity amounts, and sending results electronic messages to computers of the participants, the results messages including digital data representing the final commodity amounts.

Thus, the Office Action is mistaken in its assertion that Ferstenberg discloses a display of offers to buy and offers to sell. Ferstenberg does not disclose such a display, and the above discussion demonstrates that Ferstenberg’s system and method has no need or use for such a display. Consequently, the rejection of claims 8 and 21 has been successfully traversed.

The same facts that prevent independent claims 8 and 21 from being anticipated also prevent dependent claims 9, 10, 11, 12, 15, 22, 23, 24, 25, and 28 from being anticipated, and the rejection of those claims is also respectfully traversed, for the reasons discussed above with respect to claims 8 and 21.

However, Applicants wish to more specifically address the rejection of claims 11, 15, 24, and 28. The Office Action states that "Ferstenberg further discloses the claimed limitation 'a software for providing a computer display of a graphical representation of a range of prices offered for the certain securities in the user-to user trading' (col. 17, lines 12-24)." But the Office Action is again mistaken. Ferstenberg, col. 17, lines 12-24 states:

FIG. 4 also illustrates communication links to external data gateways. Since the intermediary of the preferred embodiment of this invention does not determine prices, this information is obtained from external sources that report prevailing commodity prices in markets acceptable to the electronic agents involved in an exchange. Thus, price data source 53 is linked to the intermediary computer 40. Also, for certain commodities, in particular for financial commodities, laws and regulations dictate the prompt, public reporting of all exchanges of those commodities. In this case, successful exchanges are appropriately reported at 54 as well as to the participants.

The above excerpt mentions prices - nothing more. There is no mention of a range of prices, a display of a range of prices, or of a graphical display of a range of prices. There is no indication that participants in the Ferstenberg system ever see any prices, except perhaps when an exchange of commodities is reported. Thus, the rejections of claims 11, 15, 24, and 28 are further successfully traversed, independently of the traversal of claims 8 and 21.

Applicants also wish to more specifically address the rejection of subject claims 12 and 25 over Ferstenberg. The Office Action states: "As per claims 12, and 25 Ferstenberg further discloses a software for displaying offers to buy or offers to sell provided by a particular user (col. 13, line 58 to col. 14, line 6)." But again the Office Action is in error - the text of Ferstenberg, col. 13, line 58 to col. 14, line 6 clearly does not apply to participants or users:

In the following detailed description, an "offer" for a commodity is an electronic message sent from an intermediary to an e-agent that includes the amount of the commodity that the intermediary has made available to the e-agent to buy or sell at a given stage of the electronic negotiation. A "counter-offer" for a commodity is an electronic message sent from the e-agent to the intermediary that includes the amount of the commodity that the e-agent intends to buy or sell at this stage of the electronic negotiation. An "opening" for a commodity is an initial electronic message sent from an e-agent to the

intermediary that includes the maximum amount of a commodity that the e-agent intends to buy or sell in a given negotiation. Preferably, offers, counter-offers, and openings contain data for all the commodities to be exchanged in one electronic message.

Offers and counter-offers, in the Ferstenberg method, are exchanged between e-agents and the intermediary software program only. Users do not participate. Thus, the cited excerpt cannot anticipate claim 12, for example, which requires, in addition to the elements of claim 8, "software for displaying offers to buy or offers to sell provided by a particular user."

Note that even if Ferstenberg did disclose displaying offers to buy or sell to users (it does not), that would not be enough to anticipate claim 12, which requires software to display an offer from a *particular* user - i.e., a user that is identified in some way, even if by a username or code word. In any event, the § 102(e) rejection of claims 12 and 25 over Ferstenberg has been successfully traversed.

Claims 48-49 and 51-52 of the subject application stand rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,014,643, to Minton. This rejection is respectfully traversed.

Claim 48 is for a "computer program providing a real-time trading environment to a user communicating with at least one trading system over the Internet from a user workstation, comprising: software resident at the workstation and receiving over the Internet, interpreting, and displaying as non-overlapping simultaneously displayed windows at least the following data: a) data relating to price quotes for securities, b) data relating to account balances, c) data relating to news items regarding securities, and d) data relating to user's position in securities."

With respect to claim 48, the Office Action states: "Minton discloses a software for receiving and displaying data relating to price quotes for securities [] (col. 10, lines 46-54), data relating to relating to account balances (col. 13, lines 18-45), data relating to news item[s] regarding securities (col. 9, lines 16-17, and data relating to a user's position in securities (col. 8, lines 60-62)."

The Office Action ignores the element in claim 48 of displaying data in "non-overlapping simultaneously displayed windows." The absence of this element alone prevents

Minton from anticipating claim 48. “[T]he exclusion of a claimed element from a prior art reference is enough to negate anticipation by that reference.” *Atlas Powder Co. v. E.I. du Pont de Nemours*, 750 F.2d 1569, 1574 (Fed. Cir. 1984). “For a prior art reference to anticipate in terms of 35 U.S.C. § 102, every element of the claimed invention must be identically shown in a single reference.” *Diversitech Corp. v. Century Steps, Inc.*, 850 F.2d 675, 677 (Fed. Cir. 1988). *See also Hybritech Inc. v. Monoclonal Antibodies, Inc.*, 802 F.2d 1367, 1379 (Fed. Cir. 1986); *Great Northern Corp. v. Davis Core & Pad Co.*, 782 F.2d 159, 165 (Fed. Cir. 1986); *Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co.*, 730 F.2d 1452, 1458 (Fed. Cir. 1984). Thus, because the element in claim 48 of displaying securities information in “non-overlapping simultaneously displayed windows” is not disclosed in Minton, the § 102(e) rejection of claim 48 over Minton is successfully traversed.

Because claims 49-52 are dependent from independent claim 48, they also have the element of displaying data in “non-overlapping simultaneously displayed windows,” so they also cannot be anticipated by Minton. Therefore, the § 102(e) rejections of claims 49-52 have been successfully traversed.

Claims 16-20 and 29-33 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Minton. This rejection is respectfully traversed.

Claim 16 is for a “computer program for providing a computer interface which facilitates security trading by a user communicating over a network with at least one computer system, the interface comprising simultaneously displayed non-overlapping computer displays which include: (a) a computer display of user’s current security positions, (b) a computer display of an open order list of the user, (c) a computer display of a trade ticket, (d) a computer display of a watch list of securities wherein a price of at least one of the securities displayed in the watch list is automatically updated without the user requesting each update.” Claim 29 is for an article of manufacture storing a computer program as in claim 16.

With respect to claims 16 and 29, the Office Action states:

Minton discloses a computer program and interface and interface for allowing users to buy and sell securities (col. 3, line 65 to col. 4, line 11).

Minton further discloses the claimed limitations a computer display of user’s current security position (col. 2, lines 60-62), a computer display of an open order list of the user (col. lines 7, lines 33-46), a computer display of a trade ticket (col. 11, lines 21-31).

Minton discloses the use of a security "stock" watch button but fails to explicitly disclose a computer display of a watch list of the securities wherein a price of at least one of the securities displayed in the watch list the securities displayed in the watch list is automatically updated without the user requesting each update. However, Official Notice is taken that a watch list is old and well known in the trading art to monitor trade transaction among users. A person of ordinary skill in the art would have been motivated to update a price in the watching list for the motivation of detecting irregularities which might be caused by rule violations in the stock market prices.

Thus, once again, the Office Action has ignored the element in claim 16 of having "simultaneously displayed non-overlapping computer displays." Because there is no teaching of the use of such displays in a securities trading system in the cited art, a § 103 rejection is not supported. "There must be some reason, suggestion, or motivation *found in the prior art* whereby a person of ordinary skill in the field of the invention would make the combination. That knowledge cannot come from the applicant's invention itself." *In re Oetiker*, 977 F.2d 1443, 1447, 24 U.S.P.Q.2d 1443 (Fed. Cir. 1992).

Moreover, the cited Minton excerpts fail to disclose the elements of claim 16 for which they are cited. For example, the Office Action asserts that Minton discloses "a computer display of an open order list of the user (col. lines 7, lines 33-46)." But column 7, lines 33-46 is as follows:

Server **316** is provided to allow users **302-310** to view each other's buy and sell orders, as well as to allow for the management of these orders and of the individual securities trading network as a whole. When a user forms an order to buy or sell a security, this order is transferred from the user to server **316**. An order formed by a user is an offer to buy or sell a security where the user has defined the parameters (e.g., the price, quantity) of the offer. When the user's order is received at server **316**, the order is reviewed by a broker, then the order is combined with other orders for transmission to the other users. In this manner, when one user makes an offer to buy or sell a security, the other users connected to the individual securities trading network receive this information and are able to accept the original user's offer.

Thus, the above excerpt does mention orders, and it mentions viewing "each other's buy and sell orders," but it does not disclose displaying an open order list of a user to the user.

In the cited Minton excerpt, it is not clear whether a user may only be able to see orders of others, and not his own orders. But even if the user sees all orders, including his own, that does not mean that he sees a list that consists of only orders that he has placed and that are still open. That is the list displayed by the software of claim 16, and such a list is not disclosed in the cited Minton excerpt.

Finally, the Office Action concedes that Minton does not disclose “a computer display of a watch list of securities wherein a price of at least one of the securities displayed in the watch list is automatically updated without the user requesting each update,” element (d) of claim 16. But the Office Action attempts to overcome this problem by stating that: “A person of ordinary skill in the art would have been motivated to update a price in the watching list for the motivation of detecting irregularities which might be caused by rule violations in the stock market prices.” Applicants regretfully find this statement indecipherable. There is no apparent connection between prices on a watch list and potential “rule violations in the stock market prices,” whatever those might be.

However, Applicants will assume, in order to respond, that the Office Action is somehow asserting that there is a motivation in the prior art to have “a watch list of securities wherein a price of at least one of the securities displayed in the watch list is automatically updated without the user requesting each update.” If that is the assertion being made in the Office Action, it is respectfully traversed.

First, Applicants respectfully submit that if the Office Action is making such an assertion, it must (1) identify the motivation in some prior art reference, or (2) articulate a motivation that one of ordinary skill in the art would have seen by examining the prior art at the time the claimed invention was made. Neither exists in the instant Office Action.

Moreover, even when there is a motivation to combine a certain feature with other features in the prior art to achieve a claimed invention (and Applicants do not concede that the other elements of claim 16 are in the prior art), mere motivation is not enough to support a § 103(a) rejection. The certain feature (here, element (d) of claim 16) must also be enabled in the prior art. “In order to render a claimed apparatus or method obvious, the prior art must enable one skilled in the art to make and use the apparatus or method.” *Rockwell Int’l Corp. v. United States*, 147 F.3d 1358, 1365, 47 U.S.P.Q.2d 1027 (Fed. Cir. 1998). But the Office Action provides no support for an assertion that one of ordinary skill in the art at the time the

claimed invention was made would have known how to make a “a watch list of securities wherein a price of at least one of the securities displayed in the watch list is automatically updated without the user requesting each update.” In fact, pages 17-21 in the specification of the subject application are devoted to a description of technology required to provide to provide such a feature. This description is included, *inter alia*, precisely because one of ordinary skill in the art at the time of the invention would not have known how to provide a watch list that is automatically updated without the user requesting each update.

Because (1) element (d) was not in the prior art at the time of the invention; (2) the other elements of claim 16 are not disclosed in Minton; and (3) the Office Action has not intelligibly identified a motivation in the prior art to combine element (d) with the other elements of claim 16, the rejection of claim 16 (and therefore of claim 29) has been successfully traversed.

Claims 17 and 30 depend from claims 16 and 29, respectively; the rejection of claims 17 and 30 is successfully traversed because of the reasons given above in the traversal of claims 16 and 29.

The same reasoning also applies to traverse the rejection of claims 18 and 31, which depend from claims 17 and 30, respectively. However, Applicants wish to more specifically address the rejection of claim 18 and 31.

Claim 18 is for “the program of claim 17 further including software for providing a simultaneously displayed non-overlapping computer display of news items.”

The Office Action asserts: “Minton disclose the program of claim 17 further including software for providing a simultaneously displayed non-overlapping computer display of news information (col. 10, lines 43-48).” This assertion is respectfully traversed. Column 10, lines 43-52 of Minton is as follows:

At the bottom of pricing screen **500**, there is displayed a plurality of buttons. Activation of help button **502** will display another screen containing information on how to make use of the fields in pricing screen **500**. Quotes button **504** will display a screen which contains pricing information on the security selected by the user in window **512**. Activation of trade screen button **506** will return one to trading screen **400**. Finally, close button **508** will close pricing screen **500** and will return the user to the previously displayed screen.



Thus, not only does Minton fail to disclose “a simultaneously displayed non-overlapping computer display of news information,” it actually teaches away from such a display by requiring one screen to be closed before another is displayed. This is precisely the type of disadvantage, among others, that the invention claimed in claim 18, for example, was devised to address. This fact further causes the § 103(a) rejection of claims 18 and 31 to be successfully traversed. The same arguments apply to traverse the rejections of dependent claims 19, 20, 32, and 33. The Office Action ignores the element in each of these claims of providing a simultaneously displayed non-overlapping computer display, which is clearly non-obvious in light of the teaching away disclosed in Minton.

Claims 13, 14, 26, and 27 stand rejected in the instant Office Action under 35 U.S.C. § 103(a) as being unpatentable over Ferstenberg. This rejection is respectfully traversed.

Claim 13 depends from claim 8 (which is shown above to be not anticipated by Ferstenberg) and includes the additional element of “software for displaying a negotiation process between two users in connection with purchasing a number of the certain securities, including means for displaying an electronic form for entering a counter-offer.” Most important for the present discussion is the “between two users” restriction. This restriction does not and cannot appear in Ferstenberg because, as discussed above, the system and method of Ferstenberg only entails “negotiations” between e-agents, by way of intermediary software. No users ever negotiate with each other in Ferstenberg. All negotiations are automated - performed by software only. This point has already been made above in the traversal of the § 102(e) rejection of claims 12 and 25 over Ferstenberg, wherein the text from col. 13, line 58 - col. 14, line 6 is quoted in its entirety.

Further, with respect to claims 14 and 27 (which depend from claims 8 and 21, respectively), the Office Action states: “Ferstenberg fails to explicitly disclose a button for accepting the offer. It would have been obvious to a person of ordinary skill in the art to display a button for accepting an offer into Ferstenberg. In so doing would enable a user to select the individual security or stock about which they wish to receive information.” But the purpose of a button for accepting an offer has nothing to do with enabling “a user to select the individual security or stock about which they wish to receive information.” If such a button is clicked, the user has bought or sold the indicated security. It is too late to be asking for information about the security - the transaction has already taken place. Thus, the Office

Action has not articulated a motivation to combine such a feature (which has not been shown to be disclosed and enabled in the prior art) with the other elements of claim 14 (which are the elements of claim 8, which we have shown is not anticipated by Ferstenberg). Thus, the § 103(a) rejections of claims 13, 14, 26, and 27 have been successfully traversed.

Claim 50 stands rejected under 35 U.S.C. § 103(a) as being unpatentable over Minton in view of U.S. Patent No. 5,809,483, to Broka et al. ("Broka"). This rejection is respectfully traversed.

Claim 50 depends from independent claim 48 (which was rejected as anticipated by Minton). Claim 50 contains the limitations of claim 48 (which have been demonstrated to be not disclosed in Minton), and also contains the limitation of "further comprising means for receiving updates to the price quotes for at least one security without the user requesting each of the updates and means for displaying an updated quote to the user."

With respect to claim 50, the Office Action states:

Minton discloses all of the limitations in claim 50 above but fails to explicitly disclose receiving updates to the price quotes for at least one security without the user requesting each of the updates and displaying an updated quote to the user. Broker on the other hand, discloses a system for monitoring information about debt securities and reporting trades in the debt securities market which receive updates price quotes and displaying the update the a user (col. 16, line 7 to col. 17, line 21). Therefore, it would have been obvious to a person of ordinary skill in the art at the time of the applicant's invention to modify the teachings of Minton by including a quote price update as taught by Broka. In so doing would improve the ability of traders to receive accurate and timely trade information.

In this rejection, the Office Action ignores a primary element of claim 50, even though it has explicitly noted that element: "Minton . . . fails to explicitly disclose receiving updates . . . *without the user requesting each of the updates* and displaying an updated quote to the user." The emphasized requirement disappears in the next sentence of the Office Action, and is not disclosed in Broka, wherein column 17, lines 4-14 clearly show that a user of Broka's system must always ask for a quote update:

Selecting Tick button **2540** in FIG. **25** causes FIPS to display the Group Tick window. Group tick window **2700**, shown in FIG. **27**, allows the user to tick update either a single quote by selecting button **2701**, all quotes for a single issue, by



selecting button 2702, or an entire group of issues, by selecting button 2703. The user can also tick update either bid quotes,, by selecting button 2704, ask quotes, by selecting button 2705, or both bid and ask quotes, by selecting button 2706. The tick value may be moved up by selecting button 2707, down by selecting button 2708, or to any desired value by using list box 2709.

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Thus since, *inter alia*, Broka fails to disclose the element of "receiving updates . . . without the user requesting each of the updates," the Office Action's § 103(a) rejection of claim 50 has been successfully traversed.

In view of the foregoing, Applicants believe that all of the claims are in condition for allowance and respectfully request the Examiner to pass the subject application to issue. If for any reason the Examiner believes any of the claims are not in condition for allowance, he is encouraged to phone the undersigned at (650) 493-4935 so that any remaining issues may be resolved.

No additional fee is believed due for filing this response. However, if a fee is due, please charge such fee to Pennie & Edmonds LLP's Deposit Account No. 16-1150.

Respectfully submitted,

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Date: April 30, 2001

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